RED BULL ENREGY YOGURT

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•	Introduction	Page 3
•	SWOT analysis	Page 4
•	PESTEL analysis	Page 5
•	Segmentation, targeting and Positioning	Page 6
٠	Marketing plan objective	Page 8
•	Planning for products and brands Marketing Mix What is a product? Consumer products What is a product? Consumer products Product design Branding Packaging	Page 9 Page 9 Page 9 Page 10 Page 10 Page 10 Page 11 Page 11
•	Appropriate pricing objectives	Page 12
•	Distribution	Page 13
•	Marketing plan Communication Communication Our communication message Customer service and internal marketing	Page 14 Page 14 Page 15 Page 16
•	Conclusion	Page 19
•	Some advert	Page 20

INTRODUCTION

The company Red Bull launches a new product: Red Bull Energy Yogurt. It's a real challenge for the society, because it doesn't know the market of food.

So Red Bull has to be really careful.

We launch this product in France for the beginning, and we planned a big communication promotion.

The main characteristic to the Red Bull Energy Yogurt is Taurine. This component gives you a shot of energy in a few minutes for several hours!

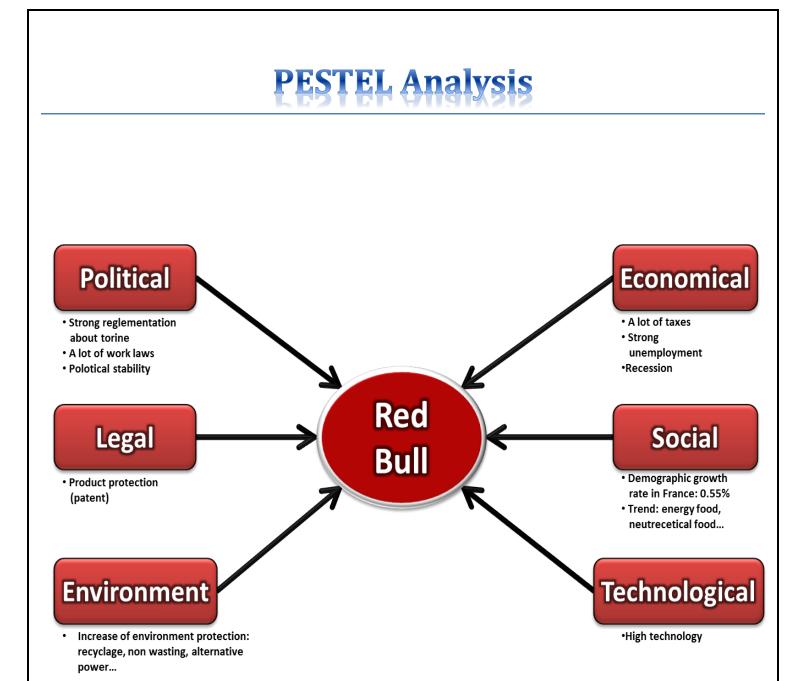
The product has 3 different delicious flavors:

- Exotic fruit
- Red Berry
- Peach

And, finally, a very playful and useful packaging for take your yogurt everywhere! During sport, at school, at work...

SWOT analysis

Strengths	Weaknesses	Opportunities	Threats
- Brand's notoriety	- Expensive communication	 « Energy market » is a market which works very well nowadays 	- A lot of competitors in the market of energy food (Dark dog, Powerade)
- Product's innovation	- Company confines in a few product, it doesn't diversify: Reliant on small product	- Nutraceutical market growth of 20% by years	 Strong legislation, French government against taurine product
- Marketing Efforts: a lot of promotions and well- targeted campaigns and sponsorship helps to expand Red bull brand and	base - Lack of innovation	- Public opened on approval of new products	- A lot of law in France about food and energy product (ex: Red Bull)
increase consumer brand awareness - Large target: more 140 millions of people	- High price of products		- High negotiation with central
- High quality product			 In strong dose, and mixed with other products, the taurine can be dangerous for the health



Segmentation, targeting and positioning

Red Bull Energy Yogurt (R'BEY) is a yogurt; we launch it on the market food, especially on the ultra-fresh nutraceutical market.

On the yogurt market we can highlight 2 segments with match with our product:

- The practical segment with 22.8% + of purchase for yogurt drinks
- The segment to promise health + 25% with purchase of probiotics

It's really new segment with the better margin of improvement in the market food, because from the end of the 90's the main research on food is on the promise to health. So if our product can combine this two fact, it's will be easy

So three main segment for our yogurt, the ultra-fresh market yogurt which represent 2200 million euros or 56% of sales of the ultra-fresh market, the nutraceutical market which growth of 20% by years and represent 900 million of sales of the ultra-fresh market and the practical segment which is the new packaging which allow to eat the yogurt without spoon according to the segment of promise health must assure us a good and fast positioning.

• We determine than the better target for this product have some specifies:

- The main target is the young people, active, who have a night life, between 18 25 and the 25-35 years old so that's mean the generation X(49 Million) and Y (83 millions) that's represent more 140 million of people.
- Every worker in the world who want get energy after the lunch or a t any time, it's better than café
- The second target is the sportive people
- And people who don't buy yogurt

To make a better approach of our target we defined Personas which can allow us to be more efficient and to helps to know the target:

John Doe is 26 years old; he finished his study last year, and begins a new job in international He is unmarried but has a girlfriend.

He likes High tech goods, be careful to him, practice sport 2 times by week, he likes eat with friend and go to pub and nightclub with them.

After analyses, it's appearing than we can identify a set of differentiating competitive advantages upon which to build a position.

Set of competitive advantages:

	Practical segment	Health segment	Custome
Original concept	Х	х	XX
No competitor	x	х	XX
Large target	х	х	XX
Easy and playful to eat	XXX		ххх
Natural		XXX	XXX
New taste			XXX
Dietetics		XXX	XX
Transportable	XXX		XXX

It's appearing than on the market he right competitive advantages are:

- Natural
- Dietetics
- Transportable
- Taurine

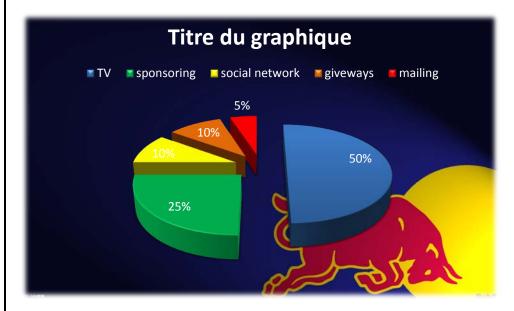
So our way of communication will be based on this competitive advantage, we must communicate on the fact that the Yogurt is natural, help the body to be better and give energy thanks the taurine added, it's a fun yogurt which fight against the tired after eat and then consumer can eat everywhere cause you don't need spoon to eat it.

Marketing plan objectives

The main objectives is to increase profit of the company, for that our second but as important objectives for this product, is to sell it as many is possible without lost money and to keep a low price.

the second of which is not less important, is to launch our company on the market food, it's the first product on it, and that will determine the future for the company, if that works some others product food with taurine agent will be launch, if it's a failure, the company back to his first knowledge the energy drink market. It's an important action cause if it's really works it's open the way for the energy food market, which not really exist yet and place us like a leader without competitors.

- to communicate will use some
- Advertising (newspapers, radio, and television): will be the first way of communication, its use the same visual and spirit of the drinks. (50% budget)
- Sponsoring (25%)
- Social network: use Facebook, use twitter to comment the events, use YouTube to put video and some advert which can't be allow on TV (10%)
- Giveaways (10" %)
- Mailings: on the web to win some sample, and some holidays to come to visit the event that we'll sponsored (5%)



In a first time we will allocate an expensive budget, especially for the TV/newspaper/radio advertising and the sponsoring, the others way of communication cost less money. But we mustn't omit them because they take a place more and more important in the new generation of customer and allow communicating on the brand image.

- The messages than we will try to give are :
- Communication about the facility to take it with you and to haven't need of spoon
- Communication about the boost it gives

Planning for products and brands

Marketing Mix

The marketing mix is the most essential phase of the marketing planning process. The marketing mix is composed of the four factors (price, promotion, product and place) that make up the core of a business's marketing strategy. In this step of the marketing planning process, marketing mix must satisfy the wants of target markets and accomplish the marketing objectives.

The most successful businesses have constantly changed their marketing mix due to respective internal and external factors in order to maximize their marketing mix components.

What is a product?

Many products are outlined as anything that is offered to a market for acquisition, use or consumption and that might satisfy a want or need.

In this marketing case, businesses must think about products on three different levels, which are the core product, the actual product and the augmented product. The core product is what the consumer is really buying and the benefits it gives.

In a future, "Red Bull" customers could buy a wide range of yogurts, which will be only with natural ingredients, a plenty of flavors, little fat and will give the full benefits for the health. The actual product includes the characteristics, design, quality, brand name and packaging of the product saleable. Consumers will buy the yogurt product because of the high standards and high quality of the Red Bull products.

The augmented product is the extra consumer benefits and services provided to customers. Red Bull will do offer a help line and complaint phone service for customers who are not satisfied or wish to give feedback on the yogurts. It's also the type of packaging and distribution, like the purchase with a pack of 12 at a supermarket is a different product from a vending machine.

Consumers perceive products as bundle of benefits that satisfy their needs. The Red Bull marketing service has first identified the core consumer needs that the products will satisfy, then have designed the actual product and finally have founded ways to augment it in order to create the bundle of benefits that will best satisfy consumers.

Consumer products

Consumer products are those bought by final consumers for personal consumption. The Red Bull Energy yogurt is a mass consumption product which satisfies two needs, feeding and lack of energy.

Product quality

Developing a product involves defining the benefits that the product will offer such as quality, features and design. These benefits are particularly important as it greatly affects consumer reactions to a product.

Quality is one of the marketer's major positioning tools. So, for our products, we have chosen a high quality level all the while retaining affordable, in order to match target market needs and to be competitive.

The whole of products are made France with an important emphasis on quality following certain norms ISO which improve products and processes quality in ever. In fact, the quality evaluation is a powerful weapon for achieving "total customer satisfaction", this is why, the customers' perspectives are interpreted in terms of customer need and expectations.

The ultimate goals of total quality is to improve customer value and to gain an edge over competitors by offering products that better serve customer's needs and preferences for quality.

Product features

A product can be offered with varying features. Red Bull Energy yogurt is a yogurt made up of milk, sugars, caffeine, flavors and the most important component Taurine. The main benefit of yogurt is that, like other dairy foods, it provides protein, calcium, vitamins and other minerals. Furthermore, the mix between Taurine and caffeine erase the tiredness effect and the lack of sleep.

Thanks to this mix, the Red Bull Energy yogurt provides much more nutrition and reinforce more energy, which is even suitable for the younger generation, go-to-work group and the sports men or women, specially good for the brain workers with high-tension learning and working. Eating the taurine intensified Red Bull Energy yogurt will let the brain more flexible and full of vigor. It also suitable for the people taking part in the night activities and entertainment.

So, to resume, it can be eaten in virtually any situations: during sports, at work, whilst driving and in leisure activities, which increases physical endurance, concentration and reaction speed, and also improves the emotional status as well as stimulates metabolism.

These characteristics are a competitive tool for differentiating our products from competitors' products. Being the first producer to introduce a needed and valued new feature is one of the most effective ways to compete.



Product design

Another way to add product distinctiveness is through product design. The design is a process thought to optimize the consumer's satisfaction and the benefits on this yogurt by using in a creative way the whole of design's elements, like the performance, quality, durability, appearance and costs, according to the corporate policy (environment, information, identity).

The design is the most important factor about sales success. The product design philosophy is simple and original with few forms, to make handhold easier.

The logo design represents bull ready to attack and warn you facing its liveliness. The dark color in the background contrasts brightly to the energy yogurt logo while the red accents depict the power that the people feel after the consumption of Red Bull Energy yogurt. The font used in the Red Bull logo is a custom design.

The Red Bull logo is supposedly provide instant recognition to the company and attracts a lot of people to buy the yogurt.

Branding

Consumers consider a brand as an important part of a product, and branding can add value to a product. Branding has become a central issue in product strategy. Developing branded product requires a great deal of long-term marketing investment, especially for advertising, promotion and packaging, but in compensation consumers are loyal to the brands. Thus it makes sense for us to invest heavily to create strong national or even global recognition and preference for the brand name.

Branding helps buyers in many ways, for instance the quality level of products, that permits to differentiate from several generic products by helping call consumers' attention and the habit's customers who always buy the same brand know that they will get the same quality each time they buy.

Branding provide legal protection for unique production features that otherwise might be copied by competitors and helps shoppers because it provides much more information about products and where to find them.

So people have to associate the yogurt with youth culture and extreme and adventure-related sports, such as motor sports, mountain biking, snowboarding and dance music, it's almost a "viral" marketing.

Packaging

Although the primary function of the package was to contain and protect the product, in recent times, many factors have made packaging an important marketing tool.

The packages must nowadays carry out many sales tasks from attracting attention, to describing the product, to making the sale or to design promotional schemes, which can generate extra revenue and advertisements. If the package is well-designed, it may be the seller's last chance to influence typical shoppers.

The innovative packaging can give an advantage over competitors with new shapes, sizes, graphics, colors and textures. These various elements must work together to support the product's position and marketing strategy.

There are many laws to regulate labeling contingent on countries because all the required information have to right and to conform to local requirements. Labels can mislead customers, if it fails to describe important ingredients or fails to include needed safety warnings. It is an important point of marketing.

Appropriate pricing objectives

Determining the selling price of an innovative product depends on several factors and objectives.

In fact the pricing is based on several constraints:

- the prices on the market of similar product (concurrence. ...)
- the mode of distribution (intermediate, central purchasing ...)
- from the economic conditions (whether economic crisis may substitute products)
- the selling price must reflect the cost to the margin
- from the supply of product launch, to make it known.
- Constraints of the law in matters of food
- in its life cycle (perishable)
- From Target sought and its location (target skimming)
- from the elasticity of demand (demand increases when the price drops)
- the ranking of the company market (she a leader for other products?)
- The market structure (if the market is very competitive)

In this case, the taurine yogurt is an innovative product that targets a young population, is not a staple product, the impact of substitute products is strong. This yogurt should be innovative, original, modern, fun. Sell it as a concept, a way of healthy eating for young. Red bull is a famous brand, but this market is totally new for us. We have to consider it in our price strategy.

The price must be attractive but not too low not to be equated with a low-end product. We must consider the prevailing price of similar products among our competitors, because the selling price will be close to that market. However, in order to penetrate the market price will launch in the first instance, be slightly lower than competitors' because our goal is to reach rapidly a large part of the youth population.

In this order, here is our final price in direct comparison with some of our competitors:

Our price	Sveltesse geste minceur	Actimel	
2,20 for 6 bottle	2,43€ for 6 bottle	2,90€ for 6 bottle	

Distribution

The distribution of taurine yogurt that target a young population should be easily accessible in the distribution network must be extended to the territory, mainly in urban areas where the youth population is dense.

Mass distribution seems to fit the distribution of this product to the periphery of cities and countryside, the small and medium distribution would be better to distribute the yogurt in town centers. This would allow young people (students and others) to easily access product, which wants a product of proximity (we can produce it without having a means of locomotion)

It could also be distributed in some fast food or snack if packaging allows.

This is why its packaging must be researched and selected based on (pot rigid or not, retain the shape of a yogurt or opt for a classic shape younger cop style, avoid packing in lots of 12 or 16 which further reference to the family, be limited to groups of 4 or 6 to refer to share a convivial moment ...)

The choice of a brand name of large and medium distribution will depend on the product image, for the taurine yogurt brands LIDL, ALDI will be avoided such as this product is intended for quality and its development has been carefully put implemented, it's not a "normal" yogurt.

The choice will depend on the distributor's implantation; in a catchment area there is a strong commercial attraction, ability to calculate potential sales.

It will also depend on the volume treated, its shelves and its organization (replenishment, ...), the impact of the shelving is important, it is necessary to stand out from other yogurt and milk products, it will be useful to find an original location in the end row with bright example to be quickly spotted, half height because the product is still aimed at young adults.

The choice of provider will follow the chosen distribution channel (number of intermediaries more or less important buying offices, retailers...) in our case; the mass distribution seems more appropriate to flood the product market.

The choice depends on the distributor's sales forecast.

The brand name the more dynamic for our type of product.

For the selection of snack and fast food, the criteria might be those whose image suits the most to that of yogurt in concept and effect "club" that emerges. Consumption of the product being more related to an effect way to a basic need.

Like any new product launch will be determined by the choice of advertising media (choice wave radio, TV channels, web pages, magazines...).

Then, we have the negotiation with the central and possibly with different local distributors.

Marketing plan Communication

Communication

Now that we get a product and have set our price. Will the world come running to our doorstep? Not unless people know about your product - you must promote it. Set the stage for sales with a thoughtfully developed promotion plan.

To do so, the communication plan is necessary. In fact, customers won't know whom you are or what you propose if you don't make anything to advertise, to market your product. In this communication plan there are different steps to follow, first of all we have to determine what would be our tactics of advertising, in other words, how do we make the customer aware of the product?

Before the choice, it's important to remember our target. We want to sell this yogurt to young people in priority; they are the most profitable targets for this product (for sportive or for those who just need energy during the day). Knowing this, we have to choose our tactics according to what young people like or do.

We all know that people between 15 to 30 have the same kind of consumption habits, social life or desires. In this way, we chose to advert he product through TV broadcast advertisement, in effect, we are aware of the fact this is nowadays the best way to promote a product because people spend a lot of time in front of the television and above all at this age.

However, the last affirmation tends to be more and more wrong, because young people spend most of their free time on the net and more precisely on the social networks such as Facebook or Twitter. That's why we chose to put some adverts on these websites.

Moreover, even if young people tend to read less, they still love magazines which are easier to access.

We know that our target read some magazines such as sports one for men (sports magazine, France football, Maxi basket, tennis magazine, Midi Olympique...). And some tabloids for women such as "Voici, Oops or Public".

Furthermore, this is also important to promote the product with direct marketing, in the street with outdoor panels or bus boards.

Then we want to be present directly on campuses, to be in contact with students who are the main targets. So we can open some daily stands with yogurts tasting and flyers distribution.

As we are an international company settled in France, we have to promote it with direct marketing at the international level. To do so, we will build a partnership with an international football team that will wear our brand name.

We will also do some sponsorship for big events related to our product. In fact Red Bull is already doing a lot of shows such as the Red Bull challenge, or the "flugtag" or the "airrace". These events are sport events and could be very useful for our sales because our targets will be present at these shows.

So if the product is launching well at the beginning we could make a partnership with Red Bull, as we are not competitor, this is food and drink. Finally this is very crucial that we create some newsletters on the web or on the press to speak about us and to make announcements about our product. Everybody has to speak about this new yogurt!

Our communication message:

In all the adverts we will launch there will be the same key messaging that we want our targets understood. Red Bull is already a big company in the food market, and today it is launching a new product that will be a revolution in term of innovation. In fact all the sportive, all the young people, all those who want to make parties or having an energizing break, Red Bull has created for them a new yogurt that ally the healthiness of milk with different tastes and with the taurine that provides a rapid energy at a low price.

Our slogan: "Always higher, always better" refers to this idea that our product will give so much energy to the consumer that he will be better in what he does and he will go even further. This can concern either a sportsman that has a challenge to achieve or even a young person that has difficulties to wake up properly and to finish all the young worker that trust these energy food complements and could take it for a break to be more energetic in what they do.

The Red Bull energy yogurt doesn't aim at competing with the original energizing drink but on the contrary it aims at proposing a new product in the same range that can be consumed in different period of times and in a healthier way. It could be the health respect product of Red bull.

Secondly, still in the communication process, we need to determine the legal and regulatory social aspect.

- What is legal or not?
- Can we sell our energizing yogurt to consumers?
- What are the main regulations for yogurts sales?

At this day, no reliable study confirms or counters the beneficial effects of an additional food contribution of taurine, or on the danger or the possible consequences (for example on the nervous system) of the massive absorption of it.

Even if it took a long time to legalize the taurine, nowadays 146 countries consume it; the taurine is often related to the Red bull which was the first energizing drink to use it. Red Bull has been invented and legalized in Ostrich in 1987 and then other countries followed the trend such as Hungry in 1992 and Swiss in 1995.

Finally all the European countries legalized Red Bull and its taurine and even France the last country to do so in 2008.

As a matter of fact, we know there are no restrictions in the selling of our product at the legal aspect. The taurine is legalized and yogurts are sold all over the world.

In the regulatory social context the regulations are set by the governments of each country according to their food organism administration.

There is no vertical European directive dedicated to yogurt and/or fermented milks. Most of the EU member states have adopted a national legislation in line with the Codex Alimentarius, allowing the use of the name yogurt only for living products. In France particularly, there are no restrictions for the yogurts as long as this latter respect all the norms of fabrication, with the good ingredients, the right packaging or the convenient selling point.

Moreover, the regulation at the level of the mix of our two main ingredients, the milk and the taurine is not restricted at all simply because this kind of mix already exists in motherhood milk that children take during the beginning of their childhood. This is not poisoning, and on a contrary we will be able to say that it is a perfect mix that remains this natural source of energy provides by our mothers when we were children.

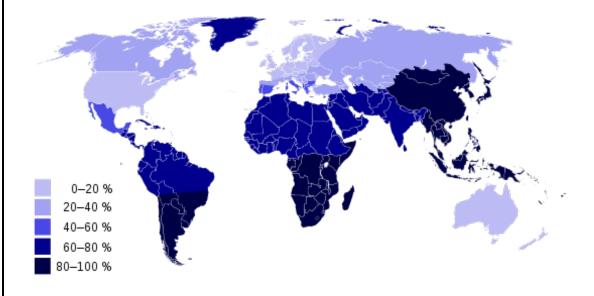
To finish this communication plan, we have to take into account the ethical issues that could appear in the development of our product. In fact, when a company wants to sell a new product to a foreign continent, they have to make sure that culturally, ethically, the product would fit with the country. In our case, the yogurt is an international product and is already sold all over the world.

Europe and Asia-Pacific dominate nowadays the global yogurts market with more than 80% share of volume consumption. The market on yogurts in France is huge, with a harsh competition but with a high demand of new products.

As we can see in the map below, France has no problem at all with the lactose consumption. Our product proposes to mix a healthy ingredient which is the yogurt, with no fat at all to respect the trend in terms of food habits, and with a new element never mixed: the taurine. This latter will bring innovation to the yogurt market because this is the first time that consumers will be confronted to this kind of offer.

So at the level of the regulatory social, we follow the rules, and we are even influences by the desire of innovation that people ask for.

Lactose Intolerance in the world



Customer service and internal marketing

As a big company, Red Bull has a very efficient customer service that allows it to know if people are satisfied with their products, if the offer reaches the demand. This consumer satisfaction is highly linked to the employee's performance.

In fact if our employee's missed the packaging or make errors in the ingredients inside the yogurt, we could lose some costumers. So this is really important to pay attention on both employee's behaviors and consumer's reaction.

« The customer is king, the customer is right », this sentence explain in a few words the importance that we have to give to the customers, if we don't do so, customers won't be satisfied and will simply go to the competitor. Usually, only 4% of the companies listen to the complaints of their customer and this is where we have to make the difference. If the customer feels that he is important, that he can give his opinion or even criticize the product when it is not right they will stay loyal to our company because they are implicated in the system. The strategies that our company will use to collect the information are basic but effective in this kind of market.

We don't really know our customers, we don't have their emails or other things that are directed to them so the only way to allow them to be in touch in case of problem is to provide a customer service number of our company.

When clients fall on a yogurt that is out of date for example, they can call us and tell the number of series written behind the pack so that we can anticipate future errors. This phone number will be obviously free to encourage people to complaint easily.

Then a good way to know if our product is good and if customers are satisfied is to distribute some quick surveys directly in supermarkets or in the places where our targets are (universities, high-school, sports shows, concerts, partners shows...).

These surveys will allow us to know if the customer likes our product and if there are any problems. Here is an example of this survey:

- Do you know Red Bull energy yogurt? Yes/No
- Have you ever tasted such a yogurt before? Yes/No
- Do you like this one? Yes/No
- If yes, how often do you consume it a week? Less than 2/between 2 and 6/More than 6
- Would you recommend any amelioration?
- What is your favorite flavor? Exotic/ Red fruits/ Strawberry
- Have you ever heard of any problem with this yogurt? Yes/No
- If yes, which ones?

Thank to this questions we can really focus on our weaknesses and make them disappear as fast as possible.

As we said in the introduction, the customer service is also linked to a well-structured internal marketing. In our company we want that our employee's feel good and enjoy working every day.

To do so we will settle a rewarding system that allows the employees to get promotions or gifts at the end of the month if they did great. We can by this way use the triple reward system, as we reward the employee's they will do a better job, as a matter of fact consumers will be happy because they will have better products and as a consequence we will take more benefits!

In order to make everyone aware of this internal policy we will display some panels with a behavior chart everywhere in the production building.

It can be this following:

Dear employees, as you all know Red Bull is a multinational company that aims to please their customers by providing the best in term of quality and quantity. To reach this goal, you will be in charge of your work, and as independent workers you will be rewarded for the job you do if you do it following the companies' values. Promotions will be provided for every great job. We want our company to provide the best and we know that for this you have to be in the best conditions so Red Bull will do everything in this direction to please everyone.

Sincerely,

Your manager.

Moreover we will provide our employees good conditions of work. First we will give them a room in which they can take a break with everything to breathe (soft drink and snacks dispenser, pool, games...) Secondly we will make all it is necessary to do to make the building clean and easy to work in.

Then, at the end of each month, we will organize a big meeting with all the managers and employees around a buffet so that they can interact with each other to understand each other! In this way managers will be fairer in difficult period of time and employees will be more motivated to satisfy the manager's desire.

In conclusion our company will give all the tools necessary to allow the employees and the customers to be happy and satisfied. In this way our product will be durable and will settle in a long-term period. The company's image is crucial and thanks to the customer satisfaction our reputation will be positive for long.



As a conclusion of this marketing plan, we can obviously wonder if this new generation yogurt will have the expected impact on the market and if our company will have an interesting return on investment.

We have seen that this kind of food product is very innovative, and nowadays the yogurt market in France is quite full, so all new products would be unknown. However, we are launching the first energising yogurt, and if we respect our objectives in term of communication, our customer will be aware of this new item, and they will love it because it's new, innovative, trendy, healthy and useful!

We are really convinced on the success of our product and we will invest a lot in a way to launch it properly. We know Red bull has a lot to lose if this not works, but they have a lot to win because they will revolutionize the sector and position themselves as leader of the market of energising yogurts.

As a consequence we are proud to launch the new Red Bull Energising Yogurt and we will do anything to please our customers with this new product.

